

The bumpy road to improve women entrepreneurship

Can a workforce dominated by women benefit the business ecosystem at a holistic level?



UMA SRINIVASAN

Gender diversity is getting high on the agenda for India Inc. An increasing number of organisations are realising the impact of having a diverse and inclusive workplace. Having women across management levels not only makes better business sense, this can also lead to a sizeable additional economic growth, adding billions of dollars to the country's GDP, according to some industry reports.

However, despite strong evidence on the business case of gender diversity, we are far behind than where we should be. Today, the reality is grim when we consider the number of women holding senior leadership positions in corporate India. An analysis of all listed companies on the NSE reveals that approximately 90% of them had a woman director on the board. However, women represented only about 12.3% all directorships. Further, only four companies in the BSE 100 have a woman CEO today.

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tures, usually starting on a shoestring budget. It has been seen that they are quite conservative when it comes to funding; usually starting their business with meagre savings or funding from within their close social circle. This situation can get a major facelift if adequate VC funding is made available to women who have a clear and growth-oriented business plan. I have seen highly talented women step out of their comfort zones from traditional home-grown businesses and venture into million-dollar business enterprises with the right amount of funding.

Good mentor(s)

It has also been seen that successful women who reach at the top, more often than not, have an experienced, trustworthy mentor who offers solid business advice and nudges them in the right direction.

In today's competitive business landscape, having a good mentor is key to professional success. Sometimes, all we need to do to encourage women to get into entrepreneurship is to offer reliable mentorship.

India is fast emerging as one of the world's favourite investment destinations for start-ups led by women entrepreneurs. There has been a steady increase in the number of Indian women starting their own business ventures, with investors—both from within and outside India—providing the necessary funding and mentorship. It is critical that we identify and nurture enterprising business-

...to have a woman CEO today.

Clearly, India Inc suffers from a dearth of women leaders. While this situation is slowly but surely changing for the better, it is important to understand how a workforce dominated by women can benefit the business ecosystem at a holistic level.

So, why corporate India needs more women at the top?

The Indian business environment is steadfastly opening up to the concept of inclusivity at the workplace. Boardroom gender diversity is the norm nowadays; companies are realising the benefits of an unbiased work environment capable of creating a positive business impact.

Particularly in the case of start-ups where innovation is closely linked with business profitability, women—and it has been seen that women leadership exhibits intuitive problem-solving abilities and smart business sense—have the power to steer the business towards a differentiated value proposition.

Some studies have also shown that women in senior leadership positions bring in more innovation, different perspectives and out-of-the-box ideas of running the business. We have substantial data to indicate that companies with women CEOs show a marked increase in the return on equity (ROE). Even investors are more than willing to place their bets on a set-up with women in key deci-

sion-making roles. While women representation in corporate boardrooms and in senior executive roles is on the rise, implementing workplace gender diversity requires understanding and resolving the multiple challenges faced by women who balance both family and career on a thin line.

In this context, encouraging more women to step into entrepreneurship could be the most viable solution that can address these challenges effectively. Women also appear to enjoy an edge when it comes to business planning and decision making. The fact that they successfully manage the nitty-gritty of the household system is, in itself, a proof of point. Various studies have shown that women are systematic and careful planners; know how to process information and use it smartly; are reliable and

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ing—for instance, home catering services or specialty food business. We have found that a large percentage of women feel that setting up a start-up venture as a married person and with kids is a big challenge. Therefore, they require a great deal of motivation and support.

Adequate VC funding

For most part, women entrepreneurs self-fund their business ven-

trustworthy; know how to create and maintain relationships; and have the inherent drive to take their careers to great heights—all of these being key success imperatives for entrepreneurship. So, what all can be done to nurture women entrepreneurs?

Women who do venture into entrepreneurship generally start something they are most comfortable do-

ing within and outside India—providing the necessary funding and mentorship. It is critical that we identify and nurture enterprising businesswomen who have the power to completely redefine the Indian business scenario. If we observe closely, there are budding business ladies all around us. Look at the number of female graduates passing out of India's prestigious B-schools—these are the women we should be pushing towards focused entrepreneurship.

Increasing the number of women in leadership positions, having women representation in corporate boards and promoting women entrepreneurs will drive better gender diversity at the workplace. These measures will impact the focus on career progression of women employees at various levels and motivate women to pursue diversified career tracks. Also, this will have a cascade effect on creating women-friendly policies at work and provide more equality to women returning to their careers after a break. The need of the hour is to create a corporate model where more women are seen in executive and managerial roles, in both organisational set-ups and self-led businesses. This is what will steer the country on a positive growth trajectory.

The author is president, Search & Selection, Randstad India, an HR consulting firm. Views are personal

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